# Employment in Edmonton increased slightly in January 2017

*February 10, 2017*

Employment in the Edmonton region increased slightly in January with part-time employment gaining momentum over losses in full-time positions. January's increases were concentrated in financial services, retail and healthcare sectors. Employment fell in the manufacturing, logistics and business services. The Edmonton region saw average weekly wages continue to move up, resulting in an annual growth rate of 2.1%.

While employment increased by approximately 400 positions in the Edmonton Census Metropolitan Area (CMA), the unemployment rate also increased. Unemployment increased from 7.5% in December 2016 to 8.1% in January 2017. This was the result of about 5,700 individuals entering the region's active labour force. The unemployment rate for Calgary in December 2016 was 9.8%.

**Labour Force Survey Results – Edmonton Census Metropolitan Area**

**Three-month moving average – seasonally adjusted**

| | Jan 2015 | Dec 2016 | **Jan 2017** | Dec 2016 to Jan 2017 | Jan 2016 to Jan 2017 | Dec 2016 to Jan 2017 | Jan 2016 to Jan 2017 |
|---|---|---|---|---|---|---|---|
| | (000) | (000) | **(000)** | (000) | (000) | % | % |
| Population (15 years and older) | 1112.5 | 1127.4 | **1128.3** | 0.8 | 16.1 | 0.1 | 1.4 |
| Labour force | 832.3 | 807.6 | **813.3** | 2.4 | -19.7 | 0.3 | -2.4 |
| Employment | 777.4 | 747.3 | **747.7** | -3.1 | -28.1 | -0.4 | -3.6 |
| Unemployment | 54.9 | 60.3 | **60.1** | 5.4 | 8.3 | 9.9 | 16.0 |
| Unemployment rate (%) | 6.6 | 7.5 | **7.4** | 0.6 | 1.1 | ... | ... |
| Participation rate (%) | 74.8 | 71.6 | **71.7** | 0.2 | -2.8 | ... | ... |
| Employment rate (%) | 69.9 | 66.3 | **66.3** | -0.3 | -3.5 | ... | ... |

*Source: Statistics Canada*

Employment in Alberta was essentially unchanged in January 2017. There was a gain of 25,000 part-time positions and a net job loss of approximately 100 positions. Alberta's unemployment rate rose from 8.5% to 8.8% as the number of people searching for work increased.

Most of Canada's job gains were in financial services, business services logistics and public administration. As a result Canada's unemployment rate edged lower between December 2016 and January 2017 slipping from 6.9% to 6.8%.

## Significance

Edmonton's recent job losses in the goods producing sector demonstrates the region is not immune to the impact of decreased oil prices. However, there are still modest gains in employment in the energy sector and continued growth in the healthcare sector.

Over the first half of 2017 employment in Edmonton will stabilize and begin to grow, particularly in areas of manufacturing and professional services. However, the unemployment rate will continue to rise toward 8.5%.

Growth in the number of job seekers, up 1.5% from January 2016 to January 2017, has been an important factor in moderating wage increases by addressing labour and skill shortages that began to emerge in Edmonton prior to the downturn in energy prices. With Edmonton's unemployment rate at 8.1% partnered with job gains across Canada, net migration into the region has slowed down, especially when compared to the volumes seen over the past several years.

Edmonton's weekly wages measured year-over-year is up 2.1%. This will have positive implications on the housing and retail segments of the Edmonton economy. Higher incomes and modest inflation will provide support to consumer confidence and spending over the remainder of 2016.

## Limitations

Since employment trends, particularly in the full-time category, tend to lag behind developments in overall economic activity, they are a better indicator of past, rather than current, conditions in the economy. However, employment trends are useful predictors of future changes in incomes and consumer spending. Statistics Canada publishes a three-month moving average of all labour force values for the Edmonton region, an approach that sometimes results in the number of reported jobs lagging behind developments in the Edmonton region's economy.

## Contact

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